

SEALED
BY ORDER OF THE COURT

EDWARD H. KUBO, JR. 2499
United States Attorney
District of Hawaii

FLORENCE T. NAKAKUNI 2286
Chief, Narcotics Section

THOMAS MUEHLECK 3591
Assistant U.S. Attorney
Room 6100, PJKK Federal Bldg.
300 Ala Moana Boulevard
Honolulu, Hawaii 96850
Telephone: (808) 541-2850
Facsimile: (808) 541-2958
Tom.Muehleck@usdoj.gov

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

SEP 08 2005
at Thomas Muehleck and Florence Nakakuni
SUE BEITIA, CLERK

Attorneys for Plaintiff
UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,)	CR. NO. <u>CR 05-00367 DAE</u>
)	
Plaintiff,)	INDICTMENT
vs.)	[18 U.S.C. §§ 1956(a)(1)(B)(i),
)	(a)(3), (h) and 2]
)	
MARIA D. BARNES,	(01),)
GEORGE CALLENDER,	(02),)
ROBERT CRUZ,	(03),)
SANFORD JACOBSON,	(04),)
)	
Defendants.)	
)	

INDICTMENT

Count 1

The Grand Jury charges that:

From a date unknown, but from at least June 1, 2001 to January 30, 2002, in the District of Hawaii, the defendants MARIA D. BARNES, ROBERT CRUZ and SANFORD JACOBSON did unlawfully,

SEALED
BY ORDER OF THE COURT

willfully and knowingly conspire, with each other and with David D. Espinal, not a defendant herein, knowing that the property involved in financial transactions represented the proceeds of some form of unlawful activity, to conduct and attempt to conduct such transactions affecting interstate commerce, which involved the proceeds of a specified unlawful activity, that is, distribution of controlled substances, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership and control of the proceeds of the specified unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

Overt Acts

In furtherance of and in order to accomplish the objects of this conspiracy, the defendants and co-conspirators performed overt acts in the District of Hawaii and elsewhere, including but not limited to the following:

1. On or about August 3, 2001, defendant ROBERT CRUZ signed the Articles of Incorporation for D.D.R. Corporation;
2. On or about August 10, 2001, defendant MARIA D. BARNES received \$100,000 in United States currency from David D. Espinal, not a defendant herein;

3. On or about August 10, 2001, defendant MARIA D. BARNES presented a false receipt to defendant SANFORD JACOBSON for his signature;

4. On or about August 29, 2001, defendant MARIA D. BARNES received \$100,000 in United States currency from David D. Espinal, not a defendant herein;

5. On or about August 29, 2001, defendant MARIA D. BARNES presented a false receipt to defendant SANFORD JACOBSON for his signature;

6. On or about September 6, 2001, defendant SANFORD JACOBSON signed a Sale of Assets Agreement for the sale of the business assets of Godfather Spinners bar;

7. On or about September 14, 2001, defendant SANFORD JACOBSON received \$100,000 in United States currency from David D. Espinal, not a defendant herein.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) and (h).

Count 2

The Grand Jury further charges that:

From on or about January 1, 2003 to on or about May 30, 2003, in the District of Hawaii and elsewhere, the defendants, MARIA BARNES and GEORGE CALLENDER did unlawfully, willfully and knowingly conspire with each other and with other persons known and unknown to the Grand Jury, knowing that the property involved

in a financial transaction represented the proceeds of some form of unlawful activity with intent to conceal and disguise the nature, location, source, ownership and control of property, believed to be the proceeds of specified unlawful activity, that is, distribution of controlled substances, did conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer to be proceeds of specified unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(3).

Overt Acts

In furtherance and in order to accomplish the objects of this conspiracy, the defendants performed overt acts in the District of Hawaii and elsewhere, including but not limited to the following:

1. On or about January 23, 2003, defendant MARIA BARNES met with two individuals at a restaurant in Honolulu;
2. On or about January 23, 2003, defendant MARIA BARNES met with three individuals in Honolulu and discussed the transfer of a large amount of United States currency;
3. On or about February 10, 2003, defendants MARIA BARNES and GEORGE CALLENDER met in Honolulu and discussed the transfer of a large quantity of United States currency;

4. On or about February 12, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with an individual in Honolulu and received \$50,000 in United States currency;

5. On or about February 13, 2003, defendant GEORGE CALLENDER travelled to Molokai from Honolulu, Hawaii;

6. On or about February 13, 2003, defendant GEORGE CALLENDER purchased a cashier's check at American Savings Bank in Honolulu in the amount of \$9,500;

7. On or about February 13, 2003, defendant GEORGE CALLENDER purchased or caused to be purchased two cashier's checks at American Savings Bank in Molokai in the amount of \$5,000 each;

8. On or about February 13, 2003, defendant GEORGE CALLENDER purchased or caused to be purchased a cashier's check at Bank of Hawaii in Molokai in the amount of \$8,000;

9. On or about February 13, 2003, defendant GEORGE CALLENDER purchased or caused to be purchased a cashier's check at Molokai Community Federal Credit Union in the amount of \$9,500;

10. On or about February 13, 2003, in the District of Hawaii, defendant GEORGE CALLENDER, purchased or caused to be purchased seven United States Postal Service Money Orders in the amount of \$1,000 each;

11. On or about February 13, 2003, in the District of Hawaii, defendant GEORGE CALLENDER, purchased or caused to be purchased twelve Western Union Money Orders in the amount of \$500 each;

12. On or about February 13, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with two individuals in Honolulu and discussed the transfer of a large amount of United States currency;

13. On or about February 26, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with an individual in Honolulu and received \$50,000 in United States currency;

14. On or about February 27, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with an individual in Honolulu and discussed the purchase of monetary instruments totalling \$48,000;

15. On or about February 27, 2003, defendant MARIA BARNES in Honolulu, purchased two United States Postal Service Money Orders in the amount of \$1,000 each;

16. On or about May 14, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with an individual in Honolulu and received \$50,000 in United States currency;

17. On or about May 15, 2003, defendants MARIA BARNES and GEORGE CALLENDER met with an individual in Honolulu and discussed the purchase of monetary instruments totaling \$50,000.

All in violation of Title 18, United States Code, Section 1956(h).

Count 3

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, proceeds derived from the distribution of controlled substances; to wit, the purchase of a cashier's check from American Savings Bank in Honolulu in the amount of \$9,500 for \$9,500 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 4

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of

specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of two cashier's checks from American Savings Bank on Molokai in the amount of \$5,000 each for \$10,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 5

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from Bank of Hawaii on Molokai in the amount of \$8,000 for \$8,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 6

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from Molokai Community Federal Credit Union on Molokai in the amount of \$9,500 for \$9,500 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 7

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of

specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of seven United States Postal Service Money Orders in the amount of \$1,000 each for \$7,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 8

The Grand Jury further charges that:

On or about February 13, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of twelve Western Union Money Orders in the amount of \$500 each for \$6,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 9

The Grand Jury further charges that:

On or about February 26, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, that is, the distribution of controlled substances, to wit, the purchase of sixteen Traveler's Express Co., Inc., Money Gram Money Orders in the amount of \$500 each for \$8,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 10

The Grand Jury further charges that:

On or about February 26, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source,

ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of twenty-four Western Union Money Orders in the amount of \$500 each for \$12,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 11

The Grand Jury further charges that:

On or about February 27, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of twenty-one United States Postal Service Money Orders in the amount of \$1,000 each for \$21,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 12

The Grand Jury further charges that:

On or about February 27, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of one United States Postal Service Money Order in the amount of \$450 for \$450 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 13

The Grand Jury further charges that:

On or about February 27, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct

and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from American Savings Bank in the amount of \$3,050 for \$3,050 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 14

The Grand Jury further charges that:

On or about February 27, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from American Savings Bank in the amount of \$5,500 for \$5,500 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 15

The Grand Jury further charges that:

On or about May 14, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from Hawaii USA Federal Credit Union in the amount of \$5,000 for \$5,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 16

The Grand Jury further charges that:

On or about May 14, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and

foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from Bank of Hawaii in the amount of \$5,000 for \$5,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 17

The Grand Jury further charges that:

On or about May 15, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a cashier's check from American Savings Bank in the amount of \$10,800 for \$10,800 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 18

The Grand Jury further charges that:

On or about May 15, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of sixteen United States Postal Service Money Orders in the amount of \$1,000 each for \$16,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a) (3) (B) and 2.

Count 19

The Grand Jury further charges that:

On or about May 15, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and

foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of six Travelers Express Co., Inc., Money Gram Money Orders in the amount of \$1,000 each for \$6,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 20

The Grand Jury further charges that:

On or about May 15, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of fourteen Western Union Money Orders in the amount of \$500 each for \$7,000 in United States currency.

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

Count 21

The Grand Jury further charges that:

On or about May 15, 2003, in the District of Hawaii, defendants MARIA BARNES and GEORGE CALLENDER with the intent to conceal and disguise the nature, location, source, ownership and control of property believed to be the proceeds of specified unlawful activity did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce involving property represented by a law enforcement officer, to be proceeds of specified unlawful activity, that is, the distribution of controlled substances, to wit, the purchase of a Western Union Money Order in the amount of \$200 for \$200 in United States currency.

//

//

//

//

//

//

//

//

//

//

In violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

SEP - 8 2005
DATE: _____, 2005, Honolulu, Hawaii.

A TRUE BILL

151

FOREPERSON, GRAND JURY

EDWARD H. KUBO, JR.
United States Attorney
District of Hawaii

Florence Nakakuni
FLORENCE T. NAKAKUNI
Chief, Narcotics Section

Thomas Muehleck
THOMAS MUEHLECK
Assistant U.S. Attorney

United States v. Maria D. Barnes, et al.
Cr. No. _____
INDICTMENT